(a) whether it is also a fact that the States have requested the Central Government that if thi$_s$ demand is unacceptable, they would like the Centre to permit them to levy s'ales tax on items like unmanufactured tobacco and khandsari; and

(e) if so, what is the reaction of the Central Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): fa) No demand In the recent past seems to have been received from State$_s$ for scrapping th$_e$ scheme of additional excise duty in lieu of sales tax.

(b) and (c) The working of scheme of additional excise duty in lieu of sales tax is reviewed by the Standing Review Committee set up under the Chairmanship of Secretary, Planning commission consisting of Finance/Revenue Secretaries of State Governments and representatives of Central Government. In the meeting of Standing Review Committee held on 30-9-1985 unde$_r$ the Chairmanship of Secretary, Planning Commission and attended by representatives of all States, the ques^on of permittirtg State Governments to levy sales tax on manufacured tobacco and khandsari was raised. It was pointed out that fo'r economic reasons, these items were exempted from additional excise duty. Adjustments have, however, been made elsewhere so that the overall yield from additional excise duty wa$_s$ not reduced. If sales tax was levied on thes$_e$ items, the purpose for which exemption from levy *of* additional excise duty was granted by Central Government would be defeated.

12 NOON

PAPERS LAID ON THE STABLE

I. Report and Accounts (1984) of the Export Credit Guarantee Corporation of India Limited, Bombay together with related papers.

II. Audited Accounts (1984-85) of the Cardamom Bc»ard, Cochin.

III. **Report and Accounts (1984-85) of the Export Promotion Council for finished leather and leather manufactures, Kanpur and related papers.**

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILE (SHRI KHURSHID ALAM KHAN): Sir, on behalf of Shri Arun Singh I, beg to lay on the Table:—

I. A copy each (in English (and Hjndi) of the following papers, under sub-section (1) of section 619A of the Companies Act, 1956:—

(i) Twenty-Seventh Annual Report and Accounts of the Export Credit Guarantee Corporation of India Limited, Bombay, for the year ended the 31st December, 1984, together with the Auditors' Report on the Accounts and the comments of the Comptroller and Auditor General of India thereon.

(ii) Review by Government on the working of the Corporation. [Placed in Library. See No. LT-1607J85 for (i) and (ii)]

II. A copy each (in English and Hindi) of the following papers—

(i) Annual Accounts of the Cardamom Board, Cochin, for the year 1984-85 and th$_e$ Audit Report thereon. [Placed in Library' *Se$_e$* No. LT-1559|85.]

(ii) (a) Twenty-first Annual Report and Accounts of Export Promotion Council for Finished Leather and Leather Manufactures, Kanpur, for the year 1984-85, together with the Auditors' Report ^{on} the Accounts.

(b) Review by Government on the working of the Council.

[Placed in Library. See No. LT-1609185 for (ii) and (b).]